

MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

INTEROFFICE COMMUNICATION

TO: File

FROM: Debra Foye

DATE: May 30, 2012

SUBJECT: Drinking Water Revolving Fund Project No. 7367-01  
City of Leslie, Water Meter Project  
Green Project Reserve (GPR) Funding Cost Calculation

The purpose of this memo is to document the cost calculations for the green reserve funding for the DWRF Project No. 7367-01. The approved project cost is \$2,000,000. The portion of the project that qualifies as green is the water meter installation construction (\$559,724) minus software and spare part costs. The total construction cost is \$1,544,724.

Therefore, the percentage of construction that is green is calculated as follows:

$$\frac{\text{Total Green Construction}}{\text{Total Construction}} \times 100 = \frac{\$559,724}{\$1,544,724} \times 100 = 3.6235\%$$

Total Green Project Costs:

Planning	\$25,000 x 0.36235% = \$9,058
User Charge	\$3,500 x 0.36235% = \$1,268
Design Engineering	\$44,500 x 1.00 = \$44,500*
Legal/Financial	\$10,360 x 0.36235% = \$3,754
Bond Counsel	\$20,000 x 0.36235% = \$7,247
Bond Advertisement	\$1,645 x 0.36235% = \$596
Bid Advertisement	\$275 x 1.00 = \$275*
Construction Engineering	\$58,130 x 1.00 = \$58,130
Construction Bid	= \$559,724*
Total	\$684,553

\* Water meter only

The principle forgiveness amount was determined using 50-percent of GPR associated costs.

$$\$684,553 \times 50\% = \$342,277$$

Therefore, the total principle forgiveness amount for the project is \$342,277

	Line Item Cost	Water Meter Related			
Planning	\$ 25,000.00	\$ 9,058.65	prorate		Proration
User Charge	\$ 3,500.00	\$ 1,268.21	prorate		0.362346
Design Engineering	\$ 169,000.00	\$ 44,500.00	actual		<i>green/ total construction</i>
Legal/Financial	\$ 10,360.00	\$ 3,753.90	prorate		
Bond Counsel	\$ 20,000.00	\$ 7,246.92	prorate		
Bond Advert	\$ 1,645.00	\$ 596.06	prorate		
Bid Advert	\$ 550.00	\$ 275.00	actual		
Construction Engineering	\$ 172,000.00	\$ 58,130.00	actual		
Construction Bid	\$ 1,544,724.00	\$ 559,724.49	actual		
	\$ 1,946,779.00	\$ 684,553.23			
		\$ 342,276.62			